

## **Indian Food Industry to grow to USD 300 bn by 2015**

MUMBAI: The Indian food industry is set to grow by USD 100 billion to USD 300 billion by 2015, a study said. "The Indian food industry estimated at USD 200 billion (Rs 8,80,000 crore) in the year 2006-07 is slated to reach USD 300 billion (Rs 13,20,000 crore) by 2015 with the share of processed food in value terms increasing from 43 per cent to 50 per cent," a report by FICCI-Technopak said.

Food processing being the major sector in the Indian food industry stands at USD 85 billion (Rs 3,74,000 crore) and gives direct employment to about two million workers, the report said.

The food processing industry is highly fragmented and dominated by the unorganised sector with 75 per cent units falling under it.

"The increasing contribution of food processing sector would largely come from the organised sector," the report said.

The key growth drivers for the Indian food industry would be higher disposable incomes, shifts in spending orientation, increasing organised food retailing, increasing export opportunities, favourable regulatory environment and Government support and investment inflows amongst others, the report said.

Although the industry is growing at a fast pace, the level of food processing is still lower as compared to other countries, the FICCI-Technopak report said.

"The major challenges faced by the sector are low level of research and development, industry academia gap, skill and technology gaps and meeting global quality standards," the report said.

**--The Economics Times**